

Request for Proposals

Disposition and Redevelopment of City-Owned Residential Properties

April 15, 2026

PROPOSAL DUE

4:00 PM CENTRAL TIME, May 22, 2026



1. INTRODUCTION

The City of Rochester, Minnesota ("City") is soliciting proposals from qualified individuals, developers, nonprofit organizations, or other entities ("Respondents") for the purchase and redevelopment of two (2) City-owned residential properties.

The City's objective is to return these properties to productive use in a manner that:

- Enhances neighborhood stability
- Aligns with the City's Comprehensive Plan
- Supports high-quality residential development
- Promotes long-term property value and tax base growth
- Advances community priorities including affordability, sustainability, and equitable development
- Encourages participation by small, emerging, and locally based developers to help build development capacity and expand access to redevelopment opportunities

The City reserves the right to sell the properties separately or together.

2. PROPERTY INFORMATION

Property 1

Address: SW corner of the intersection of 4th Street SE and 13th Avenue SE
Parcel ID: 64.01.12.005416, 64.01.12.005415, 64.01.12.005413
Zoning: MXT-COR
Lot Size: ~16,385.52 sq. ft.
Current Use: Vacant undeveloped land

Property 2

Address: Located between 415 and 419 18th Street SW
Parcel ID: 64.11.34.010040
Zoning: R1
Lot Size: ~23,914.50 sq. ft.
Current Use: Vacant undeveloped wooded land

All properties are sold "as-is, where-is."



3. DEVELOPMENT OBJECTIVES

Respondents must demonstrate how their proposal will:

1. Be consistent with applicable zoning and land use policies
2. Be compatible with surrounding residential character
3. Improve neighborhood livability
4. Provide durable, high-quality construction
5. Meet all applicable building codes and City standards

The City may give preference to proposals that include:

- Owner-occupied housing
- Affordable or workforce housing components
- Sustainability features such as energy efficiency and stormwater management
- Timely construction commitments
- Development capacity and project readiness

3A. PUBLIC BENEFIT PRIORITIES

The City seeks redevelopment proposals that generate meaningful public benefit in addition to returning the property to productive tax-generating use. Respondents are encouraged to consider the following community priorities where feasible:

- Creation of owner-occupied housing opportunities
- Development of missing-middle housing types such as duplexes, triplexes, townhomes, or cottage housing
- Housing attainable to workforce and moderate-income households
- Context-sensitive design that enhances neighborhood character
- Sustainable site design, including energy efficiency, tree preservation, and stormwater management
- Small-scale or incremental development models that expand local developer participation
- Participation of local contractors or small businesses where possible

Proposals are not required to address all priorities but should identify the public benefits created by the project.

4. ELIGIBLE RESPONDENTS

Eligible respondents include:

- For-profit developers
- Nonprofit housing organizations
- Individuals building a primary residence



- Joint ventures or development partnerships

Respondents must demonstrate financial capacity and experience sufficient to complete the proposed project.

City Support for Emerging Developers

The City recognizes that smaller or first-time developers may have limited experience responding to formal RFP processes. The City encourages participation by emerging developers and seeks to reduce barriers to participation.

To support broader participation:

- A pre-submission meeting and site visit will be offered
- Respondents may submit conceptual development plans rather than fully engineered designs
- Emerging developers may partner with experienced development mentors or consultants
- Experience will be evaluated relative to project scale

Smaller residential projects will not be disadvantaged compared to larger development experience.

5. PROPOSAL REQUIREMENTS

Proposals must include the following sections:

A. Cover Letter

- Name of Respondent
- Primary Contact Person
- Phone and Email
- Identification of which property (or both) is being proposed

B. Purchase Offer

- Proposed purchase price
- Proposed earnest money amount
- Requested contingencies (if any)

C. Development Plan

- Description of proposed development
- Site plan or conceptual layout



- Building elevations (if available)
- Estimated total project cost
- Proposed timeline from acquisition to certificate of occupancy

D. Financial Capacity

- Evidence of financing (bank letter, proof of funds, or lender letter)
- Description of funding sources

E. Experience

- Description of past projects (if applicable)
- Description of development team or advisors
- References (minimum of two)

F. Community Impact

- Description of neighborhood benefits
- Affordability components (if applicable)
- Sustainability measures (if applicable)

6. EVALUATION CRITERIA

Proposals will be evaluated using a 100-point scoring system.

Criteria	Maximum Points
Community Benefit	20
Quality & Feasibility of Development Plan	20
Experience & Qualifications	15
Financial Capacity & Readiness	15
Equity, Inclusion & Emerging Developer Participation	10
Neighborhood Compatibility	10
Project Timeline	5
Purchase Price Offered	5
Total Possible Points	100



Best Value Determination

Selection will be based on the proposal that provides the best overall value and public benefit to the City, considering price, development quality, feasibility, and community impact. The City is not required to select the proposal offering the highest purchase price.

The City reserves the right to adjust weighting if deemed in the public interest.

Equity, Inclusion & Emerging Developer Participation (10 Points)

The City of Rochester seeks to expand access to development opportunities and foster a more inclusive local development ecosystem.

A. Emerging Developer Status (Up to 5 Points)

Points may be awarded to Respondents who demonstrate they are an Emerging Developer, defined as a developer or development firm that is establishing or expanding its development portfolio but has not yet completed multiple large-scale projects.

This may include:

- A developer with a limited number of prior completed residential development projects
- A small or locally based development firm seeking to expand its project portfolio
- A developer that has completed smaller-scale projects and is seeking to grow development capacity through this opportunity

Respondents should describe their development history and how the proposed project contributes to building long-term development capacity and experience.

B. Inclusion of Underrepresented Developers (Up to 5 Points)

Points may be awarded to proposals that:

- Are led by developers from historically underrepresented communities
- Include meaningful ownership participation (minimum 25%) by underrepresented individuals
- Demonstrate partnership with certified minority-owned, women-owned, veteran-owned, or disadvantaged business enterprises

Respondents may voluntarily disclose relevant ownership information. Disclosure is optional and will not disqualify any respondent.



Evaluation may consider: ownership structure, decision-making authority, level of participation in project execution, and long-term wealth-building opportunity created by the project.

The City may conduct interviews with selected respondents.

7. SELECTION PROCESS & SCHEDULE

<i>Selection Process</i>	<i>Schedule</i>
RFP Issued	Wednesday, April 15, 2026
Optional Pre-Submission Meeting/Site Visit	Friday, April 17, 2026
Questions Due	Friday, May 1, 2026
Proposals Due	Friday, May 22, 2026, 4:00PM
Review Period	May 26 – June 3, 2026
City Council Consideration	June 15, 2026

The City Council reserves final approval authority.

8. CONDITIONS OF SALE

- Properties sold "as-is"
- Buyer responsible for closing costs unless otherwise negotiated
- Buyer must enter into a Development Agreement with the City prior to closing
- Development Agreement may include construction deadlines and performance benchmarks
- Failure to meet benchmarks may result in reversion or repurchase rights
- Assignment of the purchase agreement may require City approval
- Compliance with all local, state, and federal regulations required

The property must be developed substantially in accordance with the approved proposal. Resale of the property prior to commencement of construction may require City approval.

The City reserves the right to:

- Reject any or all proposals
- Waive informalities
- Negotiate with selected respondent(s)
- Cancel this RFP at any time



9. SUBMISSION INSTRUCTIONS

Submit proposals electronically in PDF format to:

Josh Johnsen

Senior Economic Development Specialist, City of Rochester

Jjohnsen@rochestermn.gov

Subject Line: "RFP – City Property Disposition"

Late submissions will not be accepted.

10. INQUIRIES

All questions must be submitted electronically to:

Brent Svenby

Bsvenby@rochestermn.gov

No verbal interpretations will be binding.

The City does not establish quotas or set-asides through this RFP. All proposals will be evaluated on overall merit. Equity-related criteria are intended to support inclusive economic participation consistent with the City's adopted policies and strategic goals.

The City intends this RFP process to comply with applicable Minnesota laws governing municipal property disposition and competitive procurement, maintaining open and fair competition while allowing the City to evaluate proposals based on overall public benefit.

